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CURRENT
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Item 5

CENTRAL INTELLIGENCE AGENCY

OFFICE OF CURRENT INTELLIGENCE

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Edmund Reard

Rev. & Mr. J. Edgar Hoover

Washington, D.C.

LATIN AMERICA

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29. / Guatemalan army officers see Arbenz stalling on ultimatum:
A group of Guatemalan army officers led by Colonel Eliego Monzon was pressing on 14 June for the immediate ouster of President Arbenz, even prior to his reply to an army ultimatum, according to a usually reliable source. Arbenz is said to have agreed to resign, but only on certain unacceptable conditions, and these officers believe he is merely stalling.

Comment: Arbenz will have to make significant concessions to the anti-Communist army officers or risk ouster. He has been under growing army pressure to reverse his pro-Communist policies since as long ago as last November.

Colonel Monzon, minister without portfolio in the Arbenz cabinet and an influential officer, told a reliable source last January that "four or five more months of present conditions" would force army leaders to oust Arbenz. He claimed a majority of the army's officers would join him in a move against the government.

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LATIN AMERICA

3. Anti-Communist forces reported invading Guatemala:

Ambassador Willauer reported from Tegucigalpa on 17 June that Guatemalan anti-Communist forces under Carlos Castillo Armas in Honduras were moving against Guatemala.

- 8 -

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19 June 54

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Comment: Castillo Armas, who has become the symbol of anti-Communist resistance to the Arbenz regime, announced on his clandestine radio late on 17 June that he would move "within a few hours." He appears to be acting independently of the top officers long close to Arbenz who are now reliably reported threatening to oust the president if he refuses to reverse his pro-Communist policies. The unknown degree of support for Castillo Armas among active army officers would appear to be a crucial factor.

Meanwhile, Arbenz is reported refusing to make any concessions to the army. He may be relying on repeated promises by the Communists to mobilize their followers in defense of his regime.

- 9 -

SANITIZED COPY

12 June 51

CENTRAL INTELLIGENCE AGENCY
WASHINGTON 25, D. C.

258

20 June 1954

MEMORANDUM FOR THE PRESIDENT

The attached summary of the situation in
Guatemala as of today is submitted at the sug-
gestion of Mr. Allen Dulles.

For The Director of Central Intelligence



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258

20 June 1954

The Situation in Guatemala
as of 20 June



1. As of 20 June the outcome of the efforts to overthrow the regime of President Arbenz of Guatemala remains very much in doubt. The controlling factor in the situation is still considered to be the position of the Guatemalan armed forces, and thus far this group has not given any clear indication of whether it will move, and if so, in which way. If the Guatemalan army should move within the next few days against the Arbenz regime, it is considered to have the capacity to overthrow it. On the other hand if it remains loyal and if most of the military elements commit themselves to vigorous action against the forces of Castillo Armas the latter will be defeated and a probability of uprisings from among other elements of the population is considered highly unlikely.

2. The position of the top-ranking military officers is constantly shifting with daily rises and falls in their attitudes. This group has long proclaimed its strong anti-Communist feelings and its ultimate intention of doing something to rid the government of Communist influences. Various officers have declared themselves as willing to take action against the regime given just a little more time or just a little more justification. It is probable that the rising pressure of events will compel this group to declare its position, one way or the other, at any

time from now on -- although the possible result could be a split in the ranks. [There are unconfirmed rumors as of Saturday night to the effect that Colonel Diaz, the Chief of the Armed Forces, and some 40 officers had applied for asylum in various foreign embassies in Guatemala City, but these embassies have not yet confirmed this report.]

3. There were new defections on Saturday from the Guatemalan Airforce, one pilot flying out with his plane and several others obtaining asylum in the Salvadorian Embassy. The Guatemalan Airforce has thus far failed to produce any interception effort against the overflights ^{By} against the Castillo Armas planes. However very heavy anti-aircraft fire is reported.

4. There is thus far no evidence to confirm the charges and propaganda of the Guatemalan regime of bombing attacks upon Guatemala. On the contrary there are eyewitness accounts of clumsy efforts to fabricate evidence of aerial bombardment (the home of Colonel Mendoza -- one of the defecting airforce officers, was set on fire by the police). It is probable that some of the damage to oil storage facilities and other installations, attributed by the Guatemalan Government as well as by Castillo Armas, to bombing attacks is in fact the result of sabotage efforts on the part of Castillo Armas agents or other resistance elements.

5. There is considerable evidence of a determination on the part of the Guatemalan Government to mobilize and arm Communist-controlled student youth and labor (agriculture) organizations. At the same time there is evidence of a hasty attempt to mobilize additional strength for the army.

other scattered groups throughout the country.

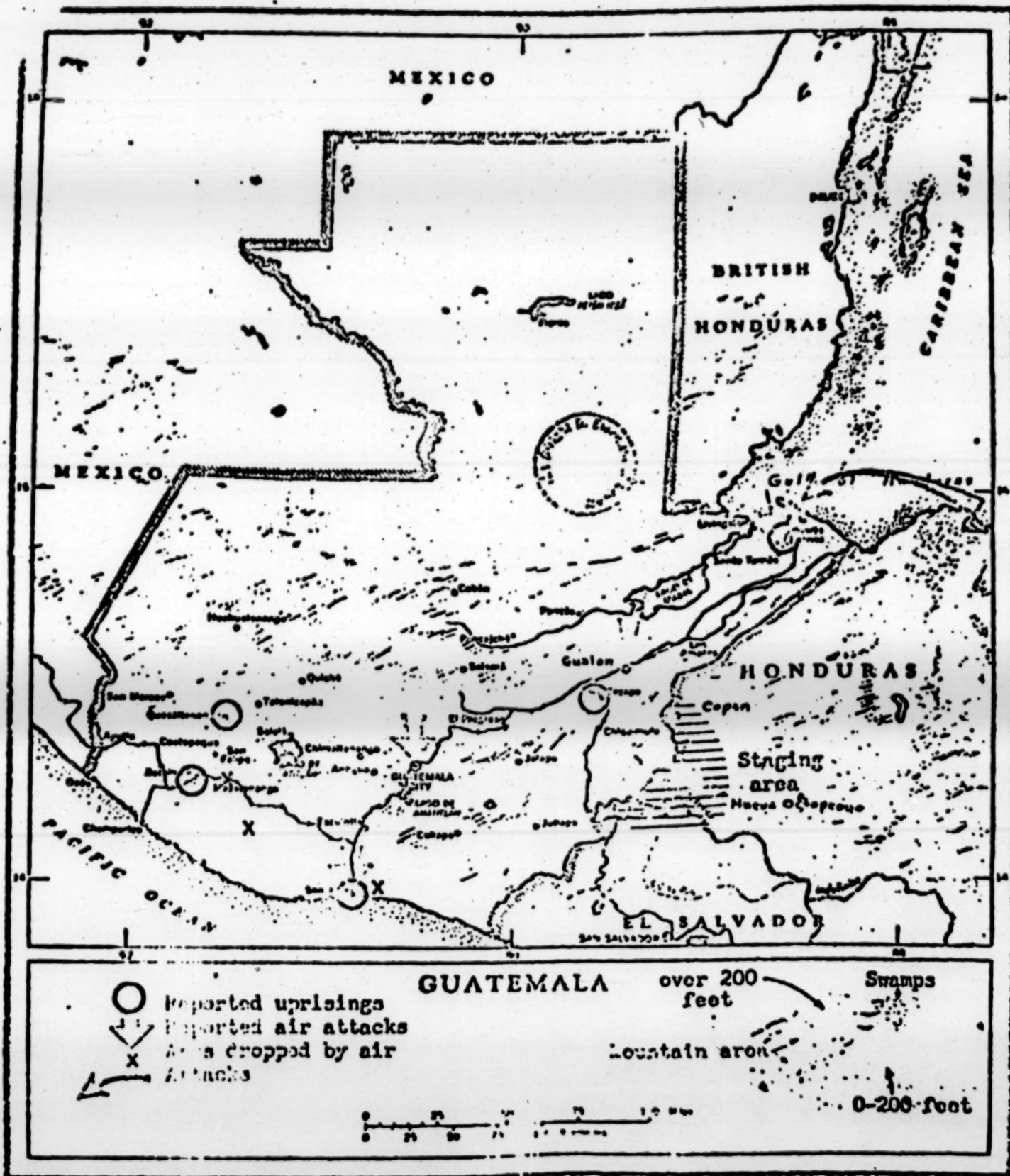
9. The entire effort is thus more dependent upon psychological impact rather than actual military strength, although it is upon the ability of the Castillo Armas effort to create and maintain for a short time the impression of very substantial military strength that the success of this particular effort primarily depends. The use of a small number of airplanes and the massive use of radio broadcasting are designed to build up and give main support to the impression of Castillo Armas' strength as well as to spread the impression of the regime's weakness.

10. From the foregoing description of the effort it will be seen how important are the aspects of deception and timing. If the effort does not succeed in arousing the other latent forces of resistance within the next period of approximately twenty-four hours, it will probably begin to lose strength.



Description of the Castillo Armas Movement

8. The action of Colonel Castillo Armas is not in any sense a conventional military operation. He is dependent for his success not upon the size and strength of the military forces at his disposal but rather upon the possibility that his entry into action will touch off a general uprising against the Guatemalan regime. The forces of Castillo Armas entering Guatemala from Honduras are estimated to number about 300 men. These have now been joined by others from inside the country to make a total in excess of 600 armed men. (The majority of this number is equipped with rifles, sub-machine guns and 50 mm mortars. These weapons are non-U.S. manufacture.) Castillo Armas himself is expected to leave his command post in Honduras today and join one element of his forces near Jutiapa by plane, but thus far there is no word that an airfield has become available. From the command post which he proposes to establish at this location, he will endeavor to coordinate the activities of his



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8. The situation in Guatemala:

The American embassy in Guatemala :
reported at 4:00 p. m. on 20 June that
"rebel forces" were operating in eastern
and northeastern Guatemala, in some
cases near the Honduran frontier, but that they were not known to
hold any important towns. The embassy could not substantiate

- 9 -

22 June 54

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reports that an "invasion" had occurred or that uprisings had taken place. The embassy said that both the Guatemalan government and Castillo Armas' "Radio Liberation" were disseminating highly exaggerated rumors.

The embassy was informed that two troop trains had left Guatemala City in the direction of Zacapa on 19 June.

Comment: To date there is no information on the stands taken by top Guatemalan army officers, and there is no reliable evidence that any major armed clashes have occurred between the opposing forces.

A government radio broadcast late on 20 June called on all labor unions to submit membership lists so that "a civilian army can be organized to defend the capital."

Further defections among air force officers have been reliably reported.

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20 June 54

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23 June 1954

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13. Comment on Guatemala's requests to UN and Inter-American Peace Commission: Guatemala's 21 June request to have Inter-American Peace Commission action deferred was apparently based on a belief that Guatemala would be better served by consideration of the case in the UN Security Council, where the Soviet member can assist the Arbenz cause.

In making this request to the Peace Commission--a semi-autonomous five-member subsidiary body within the Organization of American States--the Guatemalan government said it desired to await the outcome of the UN's 20 June resolution calling for a cease-fire. At that time, the Guatemalan delegation at the UN intimated that further Security Council action would be requested if the fighting continued, and a new Security Council meeting has now been requested for 23 June. The Guatemalan government can be expected to make further efforts to document charges of aggression by such "evidence" as it can produce.

Guatemala's original complaint to the Peace Commission--filed simultaneously with its appeal to the UN on 19 June--appeared designed to rebut possible charges that it had ignored its legal obligation to seek remedies within the regional security system. Arbenz may also have hoped to block efforts to call a full meeting of the OAS to discuss the Guatemalan threat to hemisphere security. |

10-
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23 June 54